

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Founder of new classical school of thought was	A. Adam smith B. Marshall C. Robbins D. Keynes
2	Marginal revenue product is the amount of money attained by selling	A. Average product B. Marginal product C. Total product D. None of these
3	Inductive method of deriving economic laws	A. We move from general conditions to particulars conditions B. We move from particular conditions to general conditions C. Facts are stated in simple and easy way D. Stated in general way
4	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
5	One of the following is not included in the branches of public finance	A. Public revenue B. Welfare of the people C. Public expenditure D. Public debt
6	In macro economics, what kind of problems can be discussed	A. International trade B. Consumers behavior C. Problems of a firm D. Determination of price
7	There exists a relationship between inflation and deflation	A. Increasing B. Inverse C. Indirect D. None of three
8	Elasticity of demand for the commodities which have substitutes, is	A. More elastic B. Less elastic C. Infinite D. Zero
9	In which year international monetary fund was established:	A. 1941 B. 1944 C. 1945 D. 1947
10	When after the observation and analysis of the conditions, they are stated as they are, is called	A. Normative science B. Positive science C. Vegetation science D. Science of Prediction
11	During the phase of recession prices of goods	A. Start rising B. Start falling C. are highest D. are lowest
12	One of the following is not included in the characteristics of labour	A. Labour and labourer cannot be separated B. Labour can be stored C. Labour has limited mobility D. Supply of labour is inelastic
13	To derive economic laws inductive method was adopted by	A. Classical school of thought B. Neo classical school of thought C. Historical school of thought D. Modern school of thought
14	Exceptions, or limitations of law of demand have been stated by	A. Professor Marshall B. Professor Adam Smith C. Professor Benham D. Professor Robbins

15	If we deduct depreciation from GNP, we get:	A. P.I B. G.D.P C. D.P.I D. N.N.P
16	If the income of the government is less than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
17	In modern term, factors of production are called	A. Inputs B. Productive services C. Inputs and productive services D. Production of goods and services
18	Income elasticity of demand is concerned with	A. Income and consumption of wealth B. Income and demand for good C. Price and income of the consumer D. Price and demand for good
19	If demand changes by less than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
20	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey